Challenges and Opportunities Saskatchewan

Building Our Communities
March, 1989

The Hon. J. Gary Lane, Q.C.
Minister of Finance
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Challenges and Opportunities

March 30, 1989

Honourable J. Gary Lane, Q.C.
Minister of Finance

This Progressive Conservative Government believes in Saskatchewan's future. By working with the people of this Province, we can undertake exciting new initiatives to make the future our own.

The 1989-90 Budget Address highlights many of the innovative measures that this Government will undertake in the coming year. These new initiatives will position Saskatchewan people to take up the challenges and opportunities presented by a world economy in transition.

This budget document provides the details of these initiatives. It demonstrates our determination to address the needs and aspirations of the Saskatchewan people. It demonstrates our commitment to take a comprehensive, coordinated approach to the development of the Province. It acknowledges the interdependent nature of our rural and urban communities and demonstrates our firm conviction that Saskatchewan must be seen as more than simply the sum of its parts.

The people of Saskatchewan are working together to build on their accomplishments. The initiatives described in this document enable us to build the foundation for a better tomorrow.

Hon. J. Gary Lane, Q.C.
Minister of Finance

Building Our Communities

Introduction

This Government has worked with urban, rural and northern people to develop strong local economies while enhancing the quality of community life.

The Government is committed to building healthy communities for our families by:

- developing a vibrant local economy;
- contributing to the necessary community infrastructure; and,
- enhancing the quality of urban, rural and northern life.

It is the role of the Government to support Saskatchewan families as they meet the challenges and seize the opportunities of today and tomorrow. This involves a partnership among people, business and Government to build our communities together.

Economic Development

The continued development of the Province's communities depends upon a solid yet diversified economic base to create jobs and to ensure that our communities are attractive places to live.

The Government has emphasized a balanced approach to economic development. By ensuring that opportunities exist in all regions of the Province and all sectors of the economy, local communities are able to build on their strengths and provide a better quality of life.

Urban and Rural Interdependence

Major economic development initiatives undertaken with the support of the Government emphasize the interdependence of our urban and rural communities. The natural resources of our rural regions are often developed for use in the manufacturing and processing industries of our urban centres. Examples of this interdependence include:

- the $745 million NewGrade/Co-op upgrader in Regina;
- the $1.2 billion Husky upgrader in Lloydminster;
- the $250 million Weyerhaeuser fine paper mill in Prince Albert;
- the $7 million expansion of Intercontinental Packers in Saskatoon; and,
- the $2 million expansion of Canada Packers in Moose Jaw.

These developments have stimulated job creation and economic activity in both urban and rural centres by taking advantage of our natural resources such as forestry, agriculture and oil.

Facilitating Private Sector Development

The Government has also facilitated the diversification of the rural economy by supporting private sector initiatives such as:

- a new commercial printing business, East Central Connection, in Watson;
- a new company selling organically grown grains into the North American market, Canadian Organic Producers Marketing, in Girvin;
- a new facility to manufacture intravenous solutions for health care facilities, Canapharm Incorporated, in Wolseley; and,
- the product diversification of Metal Fabricating Services, in Esterhazy.

The implementation of new and innovative economic development policies by the Government has furthered this coordinated and balanced approach to economic growth.

The **Community Economic Development** (CED) program was initiated in 1985 to assist small urban municipalities to diversify their economic base. This program provides financial assistance to communities for market surveys and studies, promotional activities and specific project development plans.

To date, 55 of Saskatchewan's smaller urban municipalities have established CED committees. By working with people in their communities, these committees helped develop over 400 projects, with a total value of $51 million, resulting in 2,100 new jobs.

The **Rural Development Corporation** (RDC) program was initiated to diversify the economic base of our rural communities. It was established in 1986 in response to the recommendations of the Task Force on Rural Development. These rural-based corporations are supported by the RDC program, through matching Government funding over a five-year period. They are established by local people to coordinate the efforts of rural municipalities, towns and villages to:

- create jobs and improve local services;
- diversify the local economy; and,
- provide new opportunities for young people in their local communities.

To date, nine RDCs, involving more than 60 rural and urban communities, have been established and discussions are underway to establish 15 more.

To enhance this initiative, **changes will be made to the Venture Capital Program** to allow RDCs to qualify for the 30 per cent provincial tax credit.

This Budget builds upon these innovations and strengthens the local economies by providing new opportunities for communities.

- The Saskatchewan Government Growth Fund will make available up to $100 million in investment funds for economic development opportunities in urban and rural Saskatchewan with $36 million available in the first year.

- SEDCO will restructure and expand its mandate to provide new, more flexible financing options for Saskatchewan small business. Lending services will include loans and loan guarantees to business associations and Rural Development Corporations.
- The Future Corporation will promote the use of new technology in economic development and diversification projects throughout Saskatchewan. Over three years, $9 million will be provided for initiatives, such as the Provincial Science Festival consisting of a science fair and trade exposition, student science fairs and the application of new technology for community development.

Northern Communities

Northern Saskatchewan is rich in natural resources. Many opportunities exist to establish a partnership with northern people for increased private sector developments, in areas such as forestry and mining, as a means of promoting economic growth and employment.

The recently completed Athabasca power line, which extended service to Fond-du-Lac, Stony Rapids, Black Lake, Rabbit Lake and Wollaston Post, has resulted in cheaper electrical rates for the 2,600 people living in these communities. As well, the lower rates will facilitate the attraction of new businesses.

Northern exploration and mining developments are continuing. At present, there are uranium mines in operation at Key Lake, Cluff Lake and Rabbit Lake and two other mines are under development. The Government has encouraged employment for northern people by requiring that mining companies, engaged in commercial operations, maintain a work force of at least 50 per cent northerners. As a result, the mines employ 350 northerners and natives and have a payroll of $15 million annually.

Gold exploration activity is expanding, the Jolu Mine is now in operation and a number of other mines are nearing completion.

This year, planning will continue for the construction of a new La Ronge Hospital. Health care services may be expanded to include long-term care and alcohol treatment. This construction activity will provide economic benefits, including jobs, as well as improve health care services for La Ronge and the North.

These activities provide the potential for continued economic growth and employment opportunities which enhance the quality of life in the North. **This Government will continue to work with northern communities and families to develop the local economy and enhance the quality of northern life.**

Community Infrastructure

The future growth of our communities depends upon the quality of their community infrastructure. This includes:

- streets, roads and highways;
- water and sewer systems;
- cultural and recreational facilities; and,
- schools, hospitals and special care homes.

Local community infrastructure supports economic development by providing the necessary facilities to attract new business. Further, it improves the quality of community life. The Government clearly recognizes these factors and has initiated programs to ensure that the local infrastructure is maintained and enhanced. In particular, this Government is providing rural communities with services which urban centres have enjoyed for years.

- Rural gasification and individual telephone line service are important initiatives undertaken by SaskPower and SaskTel to expand service in rural areas.
- Last year, the Government implemented a new three-year, $30 million highway rehabilitation program.
- In response to the 1988 drought, the Government increased funding to local communities and families by $8.5 million through the Saskatchewan Water Corporation to ensure safe and adequate water supplies. This was in addition to ongoing financial support to towns, villages and hamlets for the development of waterworks and sewage facilities.
- In the past, the Government has actively supported the construction and renovation of almost 2,000 cultural and recreational projects.

In recognition of unique local circumstances, the Government has provided financial assistance to special purpose urban capital projects, including:

- Saskatchewan Place in Saskatoon;
- the Manitou Springs Mineral Spa at Manitou Beach; and,
- the Regina-Moose Jaw Carbon Filtration Plant.

Highways

This year, in addition to its three-year, $30 million highway rehabilitation program, **the Government is allocating a further $10 million to improve our transportation network. This brings the total 1989-90 highway and road construction program to over $121 million.**

Municipal Capital Program

The introduction of a new $100 million, six-year Municipal Capital Program will assist urban and rural municipalities to construct and renovate capital facilities. This Budget provides nearly $17 million for the first year of this Program. This is Saskatchewan's first capital grant program to address the needs of rural municipalities. Water and sewer projects will have a high priority under this Program.

The Municipal Financing Corporation of Saskatchewan plays an important role in the financing of school, hospital and other municipal construction and local improvement projects throughout the Province. The Corporation purchases up to 50 per cent of municipal debentures approved for sale by the Saskatchewan Municipal Board. During 1988, 56 projects were assisted by the purchase of nearly $27 million of municipal debentures.

To complement the Municipal Capital Program, urban and rural communities will now be able to obtain up to 100 per cent of their capital financing requirements for water and sewer projects from the Municipal Financing Corporation. To further assist municipalities, the Government will encourage the Saskatchewan Municipal Board to approve the financing of water and sewer projects over longer terms.

Cultural and Recreational Facilities

Cultural and recreational facilities are an important part of the local infrastructure and contribute significantly to an enhanced community life. **This year, the Government will introduce a $33 million, six-year cultural and recreational facilities grant program for all Saskatchewan municipalities.** This new program will provide funding for the construction, repair and renovation of these facilities.

Together with the Municipal Capital Program, the Government will provide over $130 million to our communities over six years to ensure that all Saskatchewan communities, regardless of size, can build the facilities required to provide a high quality of life.

Health Care Facilities

This Government is committed to improving access to health care services. Upgrading the rural hospital network is an integral part of the Government's health facilities construction program.

However, many of the smaller hospitals have a limited role in the provision of acute care services. As a consequence, in 1984, the integrated facility concept was introduced, providing both hospital and nursing home beds within one facility and under one administration. This approach allows for the most efficient use of health care resources. Combining long-term care with existing facilities has meant that smaller communities have retained their hospitals, with the added advantage of increased nursing home capacity in the same community.

The special care home construction program makes it possible for the elderly to remain in their own communities, among family and friends. Through this program, facilities to accommodate over 1,000 individuals have been constructed in our smaller communities since 1982.

In 1989-90, over $64 million is provided for renovation and construction of health facilities. The majority of the funding is for ongoing projects. Project planning to be initiated this year includes:

- new hospitals at La Ronge, Macklin, Broadview and Langenburg; and,
- new integrated facilties at Craik, Eatonia, Midale, Edam, Imperial, Lafleche and Oxbow.

The Government's hospital, integrated facility and special care home construction program has ensured that residents of urban and rural Saskatchewan have continued access to quality medical services.

Schools

The construction and renovation of local school facilities create jobs and ensure Saskatchewan families have access to quality education. **This year, the Government will allocate nearly $31 million to improve our school infrastructure.**

A strong community infrastructure involves much more than the construction of schools, roads, curling rinks and hospitals. It also involves their operation, maintenance and repair.

Revenue Sharing

Revenue sharing provides $120 million annually to municipalities in provincial government transfer payments to assist them in meeting their expenditure obligations.

In the case of urban communities, revenue sharing contributes to the maintenance of community infrastructure such as street and park improvements and repairs to water lines, sewage treatment plants and recreational facilities. In the case of rural communities, revenue sharing contributes to the support of the rural transportation network through funding for road construction and maintenance. Since 1982, rural revenue sharing has contributed to the construction and resurfacing of more than 10,000 kilometres of road.

This year, the Government will provide $67 million to urban municipalities, $46.3 million to rural municipalities and $5.3 million to northern communities, under revenue sharing.

Quality of Life

The quality of community life reflects numerous intangibles, from a healthy environment for our children, to accessibility of services, to recreational opportunities.

Families throughout Saskatchewan are experiencing many of the same challenges as other families in North America. The drug problems among our young people and the rising crime rates are not only big city phenomena. These problems are encountered by many families regardless of where they live. Consequently, programs to assist Saskatchewan families in dealing with these issues must be accessible province-wide.

This year, funding is provided for a major initiative to strengthen the fight against substance abuse by young people. This initiative recognizes the importance of combatting the problem on several fronts through:

- education about the effects of drug use;
- an outreach program targeted to street kids;
- improved training programs for youth workers; and,
- stronger enforcement efforts.

Across the Province, many communities have established Crime Watch Programs in an effort to prevent crimes. The RCMP has been instrumental, particularly in rural areas, in the establishment of a Rural Crime Watch Program.

Crime prevention programs, including Block Parents, rely on the involvement of people to be successful. The high level of participation of Saskatchewan residents in these programs demonstrates that the people of this Province are prepared to take the initiative to improve the quality of life in their communities.

The Family Home

Perhaps, the most important yardstick by which the quality of community life is measured is the family home. This Government has assisted families to attain affordable, quality housing through initiatives such as the Home Improvement Program and the Mortgage Protection Plan.

Through the Home Improvement Program, the Government provides $1,500 matching grants and interest subsidized loans of up to $10,000 at six per cent for 10 years. The benefits of the Program have been threefold:

- stimulating economic activity in the housing construction industry;
- creating and supporting over 20,000 jobs; and,
- improving the quality of the Province's family homes, contributing to a sense of community pride.

Seniors Housing

Our seniors also require quality housing. Many Seniors Enriched Housing projects are built in smaller centres making it possible for the elderly to remain in their own communities. These facilities not only provide affordable housing but also have the added advantages of providing:

- companionship with other seniors living in the same complex;
- greater opportunities to participate in social events; and,
- a focus for the delivery of Home Care services.

An additional 521 housing units, mainly enriched housing for seniors, will be constructed this year. Many of these housing projects

are sponsored by non-profit organizations which submit proposals for Government consideration and financial support.

Accessibility

Many Saskatchewan families live in smaller communities and rural areas which are tied to the Province's agricultural base. Rural residents shop, socialize and attend school in these smaller centres.

The accessibility of government services is important to maintain the economic viability and attractiveness of our communities. This Government has introduced a number of initiatives that bring Government closer to the people it serves, including:

- the decentralization of government offices, such as the movement of the Saskatchewan Crop Insurance Corporation to Melville and the Agricultural Credit Corporation to Swift Current;
- the introduction of the Rural Service Network to provide convenient access to government services; and,
- the Saskatchewan Communications Advanced Network (SCAN) to complement the services provided through rural service centres by broadening access to educational and informational opportunities.

Parks

Parks provide affordable, convenient recreational opportunities for our families. **This Government has strengthened our park system** through:

- the addition of 14 new parks and 17 new protected areas and historic sites;
- the redevelopment or improvement of nearly 1,300 campsites; and,
- the involvement of private sector investment.

Over $17 million in the past six years has been invested by small business in our parks. This has contributed to the quality of family life through the development of:

- the Cypress Hills, Moose Mountain and Duck Mountain resorts;
- a new marina at Rowan's Ravine Provincial Park;
- new golf clubhouses at Moose Mountain Provincial Park and Valley Centre Recreation site; and,
- the Harbour Golf Club and Resort and Marina at Elbow.

The new Grasslands National Park was established through the cooperative efforts of the Province and the federal government. The Park ensures the preservation of the natural beauty of native grasslands.

Saskatchewan can be proud of its urban parks. These parks are focal points for community, social and recreational activities involving individuals and families from their own communities and across the Province. **This Government provides almost $5 million annually to support our urban parks.**

This year, **Wanuskewin Heritage Park,** in Saskatoon, will be established. Funding of $1 million was provided to assist in the development of this unique heritage site which marks the cornerstone of the "Heart of Canada's Old Northwest".

Culture and Heritage

Saskatchewan has a rich cultural heritage. The Government has helped preserve this heritage for future generations through initiatives such as:

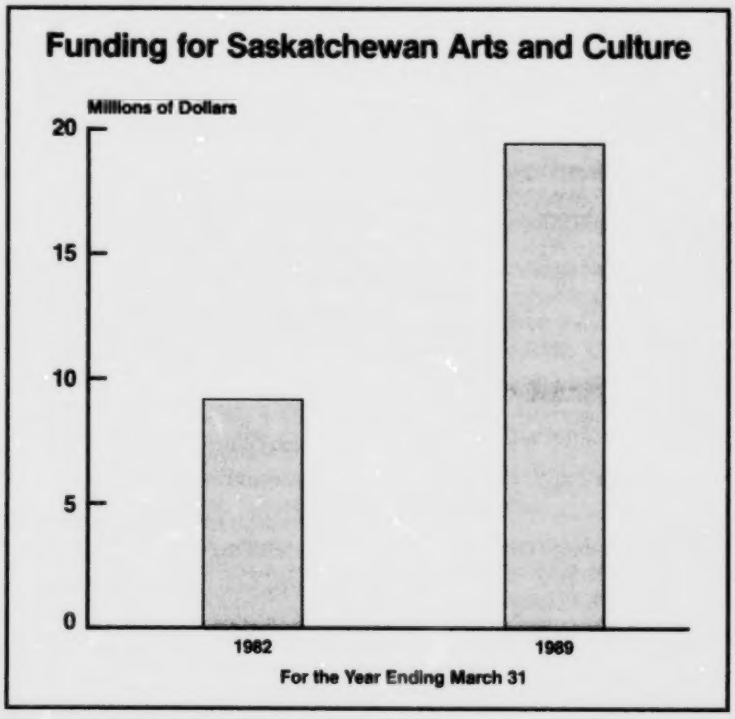
- a $6 million expansion to the facilities of the Western Development Museum in Saskatoon;
- $4.8 million for the redevelopment of the Museum of Natural History in Regina;
- $500,000 annually for operating assistance to over 100 museums in communities throughout the Province; and,
- $2.5 million to aid in the restoration of over 400 municipal heritage sites, lending support to $8 million in local contributions.

This funding has provided for the restoration of historic sites such as the Doukhobour Prayer Home in Veregin, Banbury House in Wolseley, the Power Plant in Kamsack and the CN Railway Station in Waldheim.

The diverse traditions of our multicultural heritage add significantly to the quality of community life. This Government supports multiculturalism and the arts through initiatives such as:

- grants and consulting services to ethnic groups and cultural organizations to preserve and enhance their cultural traditions;
- the establishment of a Multicultural Task Force that will report in June of 1989 to the Minister of Parks, Recreation and Culture to provide direction on the future of multiculturalism.
- funding of $1 million to encourage the development of Saskatchewan's film industry;
- the International Languages Institute at the University of Regina; and,
- funding of $3.4 million to the Arts Board.

Saskatchewan is proud of its nationally recognized artists. This Government has a strong commitment to the support of the arts and has increased funding to the artistic community significantly over the past seven years.



Last year, the Arts Board contributed $261,000 to Regina's Globe Theatre, $154,000 to the Regina Symphony, $145,000 to Saskatoon's Persephone Theatre, $149,000 to the Saskatoon Symphony, $95,000 to Coteau Books in Moose Jaw and Regina, $23,000 to Prince Albert's Little Gallery and $28,000 to the Saskatchewan Craft Council. These are but a few examples of the support provided by the Government to the artistic community.

Conclusion

Local communities must remain vital, attractive and economically viable to respond to the variety of needs and interests of Saskatchewan families.

This Government has worked with local people and business to implement innovative measures to enhance their economic well-being, to create jobs and to ensure that our communities have every opportunity to meet the challenges of today and tomorrow.